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FACT SHEET

New Accountable Care Organization Model Opportunity: Medicare ACO Track 1+ Model

On December 20, 2016, the Centers for Medicare & Medicaid Services (CMS) announced a new Center for Medicare and Medicaid Innovation (Innovation Center) model, the Medicare Accountable Care Organization (ACO) Track 1+ Model (Track 1+ Model), that will test a payment design that incorporates more limited downside risk than is currently present in Tracks 2 or 3 of the Medicare Shared Savings Program (Shared Savings Program). The Track 1+ Model is designed to encourage more practices, especially small practices, to advance to performance-based risk, and also allows hospitals, including small rural hospitals, to participate.

This new opportunity, beginning in 2018, will allow clinicians to join an Advanced Alternative Payment Model (APM) to improve care and potentially earn an incentive payment under the Quality Payment Program, which implements the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA). Stakeholders, including physician groups, have requested this type of ACO model be added to the portfolio of options, and CMS used feedback from stakeholders to design the Track 1+ Model.

ACOs will have the opportunity to join the Track 1+ Model as part of the 2018, 2019, and 2020 Shared Savings Program application cycles. The application cycle will align with that for Shared Savings Program Tracks 1, 2, and 3.

Model Details

The new Model is based on the Shared Savings Program Track 1, but incorporates elements of Track 3 including: prospective beneficiary assignment to allow ACOs to know in advance the patient population for which they are responsible; the introduction of downside risk (although lower than Track 3); and the option to request a Skilled Nursing Facility (SNF) 3-Day Rule Waiver to provide greater flexibility to Track 1+ ACOs to better coordinate and deliver high quality care.

ACOs can share in savings up to a maximum 50 percent shared savings rate based on quality performance. The Track 1+ Model has a fixed 30 percent loss sharing rate. Additionally, the maximum level of downside risk would vary based on the composition of ACOs, with lower levels of risk potentially available to qualifying physician-only ACOs and/or ACOs that include small rural hospitals. Track 1+ ACOs will have a choice of symmetrical thresholds from which to start sharing in savings or losses (the same options offered to Track 2 and 3 ACOs). The Appendix shows a comparison of select characteristics of the Track 1+ Model and existing Shared Savings Program Tracks 1, 2, and 3.

Track 1+ ACOs will enter into one of two risk arrangements (either a revenue- or benchmark-based loss sharing limit) based on whether any of the following criteria are met: the ACO includes an ACO participant (as identified by Taxpayer Identification Numbers/CMS Certification Numbers) that is an inpatient prospective payment system (IPPS) hospital, cancer center, or a rural hospital with more than

100 beds; or is owned or operated by, in whole or in part, such a hospital or by an organization that owns or operates such a hospital.

If none of these criteria are met, the ACO's loss sharing limit would be 8 percent of ACO participant Medicare fee-for-service (FFS) revenue (which would include total Parts A and B FFS revenue for ACO participants that are rural hospitals with 100 or fewer beds) in year 1 (2018). In years 2 and 3 (2019 and 2020), if the nominal risk requirement revenue standard for Advanced APMs under the Quality Payment Program increases above 8 percent of APM Entity revenues, ACOs in the Track 1+ Model with a revenue-based loss sharing limit would be offered the option to accept higher risk in order to continue to be considered participants in an Advanced APM. In subsequent years of the Track 1+ Model, the loss sharing limit will be aligned with the required nominal amount for Advanced APMs. If the loss limit, as a percentage of ACO participants' FFS revenue, exceeds the amount that is 4 percent of the ACO's updated historical benchmark, then the loss limit would be capped and set at 4 percent of the updated historical benchmark.

If at least one of these criteria are met, the ACO's loss sharing limit will be 4 percent of the ACO's updated historical benchmark; a potentially higher level of risk than the revenue-based loss sharing limit for Track 1+ ACOs that are likely to be providing a larger portion of total Part A and B revenue for their Medicare FFS beneficiaries, and therefore likely to be more able to assume a higher level of risk. Further, this risk arrangement provides lower risk than Track 2 and 3. Under Track 3, the loss limit is 15 percent of the ACO's updated benchmark. While under Track 2, the loss limit is phased in over three years starting at 5 percent of the ACO's updated benchmark in year 1, 7.5 percent in year 2, and 10 percent in year 3 and any subsequent year.

The loss sharing limit under this bifurcated structure would be determined by CMS near the start of the ACO's agreement period under the Track 1+ Model (based on the ACO's initial application to the Track 1+ Model or application for renewal under the Track 1+ Model), and re-determined annually based on an annual certification process. Changes to the loss sharing limit (to the revenue- or benchmark-based methodology) would be made by CMS based on the annual certification process that occurs prior to the start of a performance year under the Track 1+ Model. The Track 1+ ACO's loss sharing limit could be adjusted up or down on this basis.

For Shared Savings Program ACOs that have renewed their participation agreements, the benchmark that would apply under the Model would also incorporate a regional benchmark adjustment consistent with the timing and phase-in of the regional benchmark adjustment, as specified in the June 2016 Final Rule for the Shared Savings Program (81 FR 37950).

Eligibility & How to Apply

The Track 1+ Model 2018 application cycle will align with the annual application cycle for the Shared Savings Program. Additional information about the application process is forthcoming, but organizations interested in applying should plan to submit the required Notice of Intent to Apply (NOIA) in May 2017.

An ACO must concurrently participate in Track 1 of the Shared Savings Program in order to be eligible to participate in the Track 1+ Model. The Track 1+ Model will be open to Shared Savings Program Track 1 ACOs that are within their current agreement period, new applicants, and Track 1 ACOs renewing their participation agreement that meet the eligibility criteria of the Track 1+ Model. Track 2 and 3 ACOs are not eligible for the Track 1+ Model.

New program entrants and ACOs seeking renewal of their Shared Savings Program participation agreement would need to complete the Shared Savings Program application process. All ACOs interested in participating in the Track 1+ Model will need to complete an additional application process for the

Track 1+ Model to ensure they meet the requirements for Track 1+ Model participation, including ensuring that the ACO has established an adequate repayment mechanism to assure CMS of its ability to repay shared losses.

To ensure that the Track 1+ Model remains a pathway for ACOs to enter two-sided risk and to transition to higher risk (e.g., Track 2 or 3), CMS will limit an ACO's participation in the Track 1+ Model to one full three-year agreement period. New entrants and renewing ACOs could enter one, three-year agreement period under the Track 1+ Model, and ACOs that transition to the Track 1+ Model during their existing Track 1 agreement period could have the opportunity to renew for a subsequent three-year agreement under the Track 1+ Model.

The Innovation Center

The CMS Innovation Center was created by the Affordable Care Act to test innovative payment and service delivery models to reduce program expenditures while preserving or enhancing the quality of care for Medicare, Medicaid, and Children's Health Insurance Program beneficiaries.

Through the Innovation Center, CMS is testing a number of ACO models and has sponsored learning activities that help providers form ACOs and improve their results.

The Track 1+ Model is one in a series of Innovation Center initiatives that will expand opportunities for clinicians to participate in Advanced APMs under MACRA. Our work in developing and expanding new payment models will continue to be guided by the following core principles:

- Supporting innovative payment and service delivery models with strong potential to improve health care quality and lower costs.
- Engaging with and listening to consumers, providers, and other stakeholders allowing for open and transparent dialogue, including through the appropriate use of notice-and-comment rulemaking and ombudsmen.
- Evaluating results based on appropriately scoped and sized demonstrations, and advancing best practices based on their impact on quality and cost.

We look forward to continuing to work with our many stakeholders to achieve better care for patients, better health for our communities, and lower cost through improvement for our health care system. More information on all of these initiatives is available on the CMS Innovation Center website at <https://innovation.cms.gov/>. Additional information on the Medicare ACO Track 1+ Model will be forthcoming.

Questions & Answers

* Questions marked with an asterisk indicate newly added questions as of July 2017.

Quality Payment Program

Q: Will the Track 1+ Model qualify as an Advanced Alternative Payment Model?

A: Yes. The Track 1+ Model will meet the elements required to be an Advanced APM. If the nominal risk requirement revenue standard for Advanced APMs under the Quality Payment Program increases above 8 percent of APM Entity revenues for 2019 and/or 2020, ACOs in the Track 1+ Model with a revenue-based loss sharing limit would be offered the option to accept higher risk in order to continue to be considered participants in an Advanced APM.

Q: Will eligible clinicians earn an incentive payment if they participate in the Track 1+ Model?

A: Eligible clinicians in ACOs participating in the Track 1+ Model will have the opportunity to earn the Advanced APM incentive payment. The Quality Payment Program has specified criteria that must be met in order to be eligible for the incentive payment. Please visit www.qpp.cms.gov for additional information on the incentive eligibility criteria.

Q: How will the MIPS payment adjustment and Advanced APM 5 percent lump sum incentive payment affect ACO expenditures if an ACO participates in the Track 1+ Model?

A: MIPS payment adjustments would be included in ACO expenditures under the current Shared Savings Program's regulations for calculating benchmark and performance year expenditures just as other payment adjustments made on claims under other value based payment programs are incorporated. Advanced APM lump sum incentive payments to qualified participants (QPs) participating in Track 1+ Model ACOs will not be included in ACO expenditures because they are not beneficiary-identifiable payments and are lump sum payments to QPs made outside the claims payment system.

Application and Eligibility

Q: When is the application period for the Track 1+ Model?

A: The application period for the Track 1+ Model aligns with the annual application cycle timing for the Shared Savings Program. Interested organizations should plan to submit a NOIA as an initial step towards applying for the Track 1+ Model. Final application dispositions for the Shared Savings Program typically occur in the late Fall. For information about the application cycle and deadlines, check the Shared Savings Program [How to Apply webpage](#).

Q: Who is eligible to apply to participate in the Track 1+ Model?

A: ACOs in a current Shared Savings Program Track 1 agreement period may apply to participate in the Track 1+ Model for the remainder of their current agreement period. Additionally, new ACOs and renewing Shared Savings Program Track 1 ACOs may also apply to participate in the Track 1+ Model.

Q: I'm a Track 1 ACO. Can I apply to transition to the Track 1+ Model during my current agreement period?

A: Yes, existing Track 1 ACOs may apply to complete their current agreement period under Track 1+ and may be eligible to renew for one additional agreement period under Track 1+ if they are renewing in 2019 or 2020.

Q: My ACO is currently participating in Track 1 and 2017 is our first performance year. What are our options for applying to the Track 1+ Model?

A: Current Track 1 ACOs may elect to enter the Track 1+ Model during their current agreement period or at the time of their agreement renewal. For 2018, your ACO can remain in Track 1 or apply for the Track 1+ Model for the remaining two years of your current agreement period. If your ACO remains in Track 1 in 2018, then for 2019 your ACO can also choose to apply for the Track 1+ Model for the final year of your agreement period. For 2020, your ACO must renew your agreement to continue participating in the Shared Savings Program and may elect participation in the Track 1+ Model at that time.

Q: My ACO is currently participating in Track 1 and 2017 is my second performance year. What are our options for applying to the Track 1+ Model?

A: Current Track 1 ACOs may elect to enter the Track 1+ Model during their current agreement period or at the time of their agreement renewal. For 2018, your ACO can remain in Track 1 or apply for the Track 1+ Model for the final year of your current agreement period. For 2019, your ACO must renew your agreement to continue participating in the Shared Savings Program. Your ACO can apply to renew in the Track 1+ Model for your second or third three year agreement period. If your ACO is in its first

agreement period and renews in Track 1 in 2019, your ACO can apply for the Track 1+ Model in 2020 for the remaining two years of that agreement period. If your ACO is currently in your second agreement period under Track 1, your ACO can apply to renew in the Track 1+ Model for your third agreement period.

Q: My ACO is currently participating in Track 1 and 2017 is my third performance year. What are our options for applying to the Track 1+ Model?

A: Current Track 1 ACOs may elect to enter the Track 1+ Model at the time of their agreement renewal. For 2018, your ACO must apply to renew and may elect the Track 1+ Model for your second agreement period. If your ACO renews in Track 1 in 2018, your ACO can remain in Track 1 or apply for the Track 1+ Model in 2019 for the remaining two years of your agreement period. In 2020, your ACO can remain in Track 1 or apply for the Track 1+ Model for the final year of your agreement period.

Q: My ACO is currently participating in Track 1 for a second agreement period. What are our track options for renewal?

A: ACOs must operate under a two-sided model for their third agreement period. Your ACO can apply to renew in Track 2, Track 3, or the Track 1+ Model.

Q: What are the application requirements and are they different depending on whether I'm an existing Track 1 ACO that wants to apply to enter the Track 1+ Model during my current agreement period, initial applicant, or renewing applicant? What applications do I need to complete?

A: Submission of a NOIA is a necessary first step in applying for the Shared Savings Program Track 1+ Model and/or the SNF 3-Day Rule Waiver. The application material requirements vary according to the type of applicant and are summarized in the table shown below:

- Existing Track 1 ACOs that seek to enter the Track 1+ Model for their 2nd or 3rd performance year of their current agreement period will need to complete the Track 1+ Model application, and may also elect to apply for a SNF 3-Day Rule Waiver.
- Initial applicants applying to the Track 1+ Model must complete the Shared Savings Program Track 1 application and the Track 1+ Model application, and may also elect to apply for a SNF 3-Day Rule Waiver.
- Renewing Track 1 ACOs applying to the Track 1+ Model must complete the Shared Savings Program Track 1 renewal application and the Track 1+ Model application, and may also elect to apply for a SNF 3-Day Rule Waiver.

Application Type	Track 1+ Model Application Scenarios		
	Initial Applicant	Renewal Applicant	Existing Track 1 ACO
NOIA	Yes	Yes	Yes
Initial Application	Yes	No	No
Track 1+ Model Application	Yes	Yes	Yes
Renewal Application	No	Yes	No
SNF 3-Day Rule Waiver	Optional	Optional	Optional

***Q: What is the purpose of the repayment mechanism requirement?**

A: The repayment mechanism established by an ACO applicant to a performance-based risk track assures CMS that the ACO can repay losses for which they may be liable upon reconciliation for each performance year of an agreement period under which they accept performance-based risk. An ACO that is seeking to participate under the Track 1+ Model must submit for CMS approval documentation that it

is capable of repaying shared losses that it may incur during the agreement period, similar to the requirements for ACOs applying to participate in a two-sided risk track under the Shared Savings Program (Track 2 and 3 ACOs). The repayment mechanism requirement for the Track 1+ Model is consistent with the requirements specified under 42 CFR §425.204(f), and as described in the latest [Shared Savings Program Repayment Mechanism Arrangements Guidance](#), with the exception of the amount of the repayment mechanism.

***Q: How does CMS determine the repayment mechanism amount for Track 1+ Model ACOs?**

A: A bifurcated approach will be used to determine the estimated amount of an ACO's repayment mechanism for consistency, with the bifurcated approach to determining the loss sharing limit under the Track 1+ Model. For Track 1+ Model ACOs, CMS estimates the amount of the ACO's repayment mechanism as follows:

- Applicants eligible for benchmark-based loss sharing limit: The repayment mechanism must be equal to at least 1 percent of the ACO's total per capita Medicare Parts A and B FFS expenditures for its assigned beneficiaries, as determined based on expenditures used to establish the ACO's benchmark.
- Applicants eligible for revenue-based loss sharing limit: The repayment mechanism must be equal to at least 2 percent of ACO participants Medicare FFS revenue (total Parts A and B FFS revenue). If this repayment mechanism amount based on ACO participant Medicare revenue exceeds the repayment mechanism amount for the ACO based on benchmark expenditures, then the amount will be capped at 1 percent of the ACO's total per capita Medicare Parts A and B FFS expenditures for its assigned beneficiaries, as determined based on expenditures used to establish the ACO's benchmark.

***Q: If my loss sharing limit is re-determined based on changes to my ACO's composition, will CMS also re-determine my repayment mechanism amount?**

A: Yes, for Track 1+ ACOs that are placed under a different loss sharing limit within their agreement period under the Track 1+ Model (based on changes in their composition reported during the annual certification process), CMS will also re-determine the repayment mechanism amount. If the estimated amount increases as a result of the ACO's change in composition, we would require the Track 1+ ACO to demonstrate its repayment mechanism is equal to this higher amount. If the estimated amount decreases as a result of their change in composition, we may permit the ACO to decrease the amount of its repayment mechanism (for example, should it also be determined the ACO does not owe losses from the prior performance year under the Track 1+ Model).

Q: I'm a current or former Track 2, Track 3, Pioneer Model ACO, or Next Generation Model ACO. Can I participate in the Track 1+ Model?

A: No. Medicare ACOs that have previously participated in these performance-based risk ACO initiatives are not eligible to participate in the Track 1+ Model. The same legal entity that participated in one of these performance-based risk ACO initiatives cannot participate in the Track 1+ Model. Furthermore, an ACO would not be eligible to participate in the Track 1+ Model if 40 percent or more of its ACO participants had participant agreements with an ACO that was participating in one of these performance-based risk ACO initiatives in the most recent prior performance year.

Financial Model

Q: How will I know if my ACO will qualify for the benchmark- or revenue-based loss sharing limit?

A: The ACO's attestations on the ownership and operational interests of the ACO participants will determine whether CMS applies either a revenue-based or benchmark-based loss sharing limit to the ACO.

Q: What happens to my historical benchmark if I switch to the Track 1+ Model in the middle of my agreement period?

A: For an existing Track 1 ACO that enters the Track 1+ Model during their current agreement period, we will recalculate your current agreement period benchmark using the prospective assignment methodology instead of retrospective assignment. Your historical benchmark will not be rebased as a result of this change.

Additional Resources

- Fact sheet: [Advancing Care Coordination through Episode Payment Models \(Cardiac and Orthopedic Bundled Payment Models\) Final Rule \(CMS-5519-F\) and Medicare ACO Track 1+ Model](#)
- Press release: [HHS Finalizes New Medicare Alternative Payment Models to Reward Better Care at Lower Cost](#)
- Slides and recording from the March 22, 2017 webinar on Medicare ACO Track 1+ Model can be found in the [Shared Savings Program Applications Teleconferences and Events](#) webpage.
- Additional information on the Shared Savings Program application cycle and deadlines can be found on the Shared Savings Program [How to Apply](#) webpage.
- Additional information on repayment mechanism documentation can be found in the Shared Savings Program & Track 1+ Model [Repayment Mechanism Arrangements Guidance](#).
- Additional information on the Shared Savings Program can be found on the [CMS website](#).

Appendix: Table, Comparison of One- and Two-Sided Performance-Based Risk Models by Track

	One-Sided Risk Model	Two-Sided Risk Models		
Issue	SSP Track 1	Track 1+ Model	SSP Track 2	SSP Track 3
Timing of Track Entry	ACOs entering the program may elect Track 1. Eligible ACOs may continue under the one-sided model for their second agreement period.	<ul style="list-style-type: none"> Existing Track 1 ACOs (remainder of current agreement period); or ACOs entering the program or renewing their agreement (if previously participating in Track 1 or Track 1+). Once elected, ACOs cannot go into Track 1 for subsequent agreement periods. 	ACOs entering the program or renewing their agreement may elect Track 2. Once elected, ACOs cannot go into Track 1 or Track 1+ for subsequent agreement periods.	Same as Track 2
ACO Provider Composition	<p>The following ACO participants or combinations of ACO participants are eligible to form an ACO:</p> <ol style="list-style-type: none"> ACO professionals in group practice arrangements. Networks of individual practices of ACO professionals. Partnerships or joint venture arrangements between hospitals and ACO professionals. Hospitals employing ACO professionals. CAHs that bill under Method II (as described in 42 CFR §413.70(b)(3)). RHCs. FQHCs. Electing teaching amendment (ETA) hospitals. <p>Other entities are eligible to participate in an ACO formed by one or more of the ACO participants identified above.</p>	Same as Track 1 with the following additional eligibility criteria: ACO cannot be owned or operated by a health plan (consistent with the definition of health plan under 45 CFR §160.103).	Same as Track 1	Same as Track 1
Assignment	Preliminary prospective assignment for reports; retrospective assignment for financial reconciliation.	Same as Track 3	Same as Track 1	Prospective assignment for reports, quality reporting, and financial reconciliation

	One-Sided Risk Model	Two-Sided Risk Models		
Issue	SSP Track 1	Track 1+ Model	SSP Track 2	SSP Track 3
Benchmark Rebasing	Reset at the start of each agreement period. Modifications to the rebasing methodology based on the June 2015 Final Rule and June 2016 Final Rule. For an ACO's second or subsequent agreement period beginning in 2017 and subsequent years: phase-in of regional adjustment to rebased benchmark; use of regional growth rates to trend and update benchmark.	Same as Track 1	Same as Track 1	Same as Track 1
Adjustments for health status and demographic changes	Historical benchmark expenditures adjusted based on CMS-HCC model. Updated historical benchmark adjusted relative to the risk profile of the performance year assigned population. Performance year: newly assigned beneficiaries adjusted using CMS-HCC model; continuously assigned beneficiaries adjusted using demographic factors alone unless CMS-HCC risk scores result in a lower risk score.	Same as Track 1	Same as Track 1	Same as Track 1
Total Parts A and B Benchmark and Performance Year Expenditures	Payment amounts included in Parts A and B FFS claims using a 3-month claims run out with a completion factor: (i) excluding IME and DSH payments; (ii) including individually beneficiary identifiable payments made under a demonstration, pilot or time limited program.	Same as Track 1	Same as Track 1	Same as Track 1
Final Sharing Rate	Up to 50% based on quality performance.	Same as Track 1	Up to 60% based on quality performance.	Up to 75% based on quality performance.
Minimum Savings Rate (MSR)	2.0% to 3.9% depending on number of assigned beneficiaries.	Same as Track 2	Choice of symmetrical MSR/MLR: (i) 0 percent MSR/MLR; (ii) symmetrical MSR/MLR in 0.5% increment between 0.5% - 2.0%; (iii) symmetrical MSR/MLR to vary based upon number.	Same as Track 2

	One-Sided Risk Model	Two-Sided Risk Models		
Issue	SSP Track 1	Track 1+ Model	SSP Track 2	SSP Track 3
			of assigned beneficiaries (as in Track 1).	
Minimum Loss Rate (MLR)	Not applicable	See options under Minimum Savings Rate (MSR).	See options under MSR.	See options under MSR.
Performance Payment Limit	10%	Same as Track 1	15%	20%
Shared Savings	First dollar sharing once MSR is met or exceeded.	Same as Track 1	Same as Track 1	Same as Track 1
Shared Loss Rate	Not applicable	Fixed 30%, regardless of quality performance. Applied to first dollar losses once MLR is met or exceeded.	One minus final sharing rate applied to first dollar losses once MLR is met or exceeded; shared loss rate may not be less than 40% or exceed 60%.	One minus final sharing rate applied to first dollar losses once MLR is met or exceeded; shared loss rate may not be less than 40% or exceed 75%.
Loss Sharing Limit	Not applicable	<p>Limit on the amount of losses to be shared is based on ACO participant composition and the applicable performance year. Losses in excess of the annual limit would not be shared.</p> <p>Either a revenue- or benchmark-based loss sharing limit applies based on whether the ACO includes any of the following: an ACO participant that is an IPPS hospital, cancer center or a rural hospital with more than 100 beds, or is owned or operated by, in whole or in part, such a hospital or by an organization that owns or operates such a hospital.</p> <p>(i) If none of these criteria are met:</p> <ul style="list-style-type: none"> 8% of ACO participant Medicare FFS revenue in 2018, 2019, and 2020; 8% qualifies ACOs as Advanced APM entities for 2018, and ACOs may opt for higher limit 	Limit on the amount of losses to be shared phases in over three years starting at 5% of the ACO's updated historical benchmark in year 1; 7.5% in year 2; and 10% in year 3 and any subsequent year. Losses in excess of the annual limit would not be shared.	15% of the ACO's updated historical benchmark. Losses in excess of the annual limit would not be shared.

	One-Sided Risk Model	Two-Sided Risk Models		
Issue	SSP Track 1	Track 1+ Model	SSP Track 2	SSP Track 3
		<p>in 2019 and 2020 consistent with changes to Advanced APM nominal risk requirement.</p> <ul style="list-style-type: none"> • Amount of risk consistent with Advanced APM nominal risk requirement in subsequent years (2021 and onward). • If the loss limit, as a percentage of ACO participants' FFS revenue exceeds the amount that is 4% of the ACO's updated historical benchmark, then the loss limit would be capped and set at 4% of the updated historical benchmark. <p>(ii) If at least one of these criteria is met, the ACO's loss sharing limit will be 4% of the ACO's updated historical benchmark.</p>		
Repayment Mechanism Type/ Amount	Not applicable	<p>Same options as Track 2 for type of repayment mechanism.</p> <p>CMS estimates the amount of the ACO's repayment mechanism as follows:</p> <ul style="list-style-type: none"> • Applicants eligible for benchmark-based loss sharing limit: Same as Track 2. • Applicants eligible for revenue-based loss sharing limit: repayment mechanism must be equal to at least 2% of ACO participant Medicare FFS revenue (total Parts A and B FFS revenue). However, the repayment mechanism amount is capped at 1% of the ACO's total per capita Medicare Parts A and B FFS expenditures for its assigned 	<p>ACO applicant must obtain a repayment mechanism (option to select a combination): (1) Funds placed in escrow; (2) Surety bond; (3) A line of credit which the Medicare program could draw upon, as evidenced by a letter of credit.</p> <p>CMS estimates the amount of the ACO's repayment mechanism and gives this estimate to the applicant during the application review process. An ACO's repayment mechanism must be equal to at least</p>	Same as Track 2

	One-Sided Risk Model	Two-Sided Risk Models		
Issue	SSP Track 1	Track 1+ Model	SSP Track 2	SSP Track 3
		beneficiaries, as determined based on expenditures used to establish the ACO's benchmark.	1% of its total per capita Medicare Parts A and B FFS expenditures for its assigned beneficiaries, as determined based on expenditures used to establish the ACO's benchmark.	
SNF 3-Day Rule Waiver	Not applicable	ACOs may elect to apply for a SNF 3-Day Rule Waiver.	Not applicable	ACOs may elect to apply for the SNF 3-Day Rule Waiver.